

**June 15, 2007**

**2007 Legislative Amendments to the Indiana Code Relating to Pawnbrokers  
Effective July 1, 2007**

**Questions, Answers, and Administrative Interpretations**

**1. What changes have been made to the information required on an application for a pawnbroker's license?**

Answer – In addition to the information previously required, the application for a pawnbroker's license will require the applicant to disclose if the applicant or any of its executive officers, key shareholders and other owners, directors or other individuals who exercise supervisory responsibility are under indictment for a felony involving fraud, deceit, or misrepresentation in Indiana or any other jurisdiction or if they have been convicted of or pleaded guilty or nolo contendere to a felony involving fraud, deceit, or misrepresentation in Indiana or any other jurisdiction. [IC 28-7-5-4]

**2. What obligations are being imposed upon pawnbrokers who cease engaging in the pawnbroking business in Indiana?**

Answer – A pawnbroker shall not less than 30 days before closing its business notify the DFI of its intention to cease engaging in the pawnbroking business, provide the DFI date on which it will close its business, and surrender the license to the DFI. The pawnbroker will also be required to provide all pledgers who have outstanding loans notice of its intention to cease business, the date on which it will close and instructions, approved by the director, on how pledged articles may be redeemed before the closing date. [IC 28-7-5-10.1]

**3. What information relating to a licensed pawnbroker must be disclosed periodically to the DFI?**

Answer – A licensed pawnbroker shall notify the DFI on the earlier of its renewal date or within 30 days of occurrence if the pawnbroker or any of its executive officers, key shareholders and other owners, directors or other individuals who exercise supervisory responsibility are under indictment for or have been convicted of or pleaded guilty or nolo contendere to a felony involving fraud, deceit, or misrepresentation under Indiana or any other jurisdiction's laws. [IC 28-7-5-10.6]

**4. What additional information will be required on a pawn ticket given to the pledger at the time of the loan?**

Answer – In addition to the information previously required, the pawn ticket given to the pledger when the loan is made must notify the pledger that the pawnbroking transaction is regulated by the DFI and include the DFI's toll free telephone number. [IC 28-7-5-21(14)]

**5. What additional requirement has been established to ensure the pawnbroker is using reasonable care while the pawned article is in the pawnbroker's custody?**

Answer – During the term of the loan and the two (2) month period following its maturation, the pawnbroker may not allow the public to have access to the pawned article. [IC 28-7-5-30]